

(LETTERHEAD)

February 1, 2001

INFORMATION AND INSTRUCTIONS TO FILE PUC CLASS "C" @ ANNUAL FINANCIAL
REPORT FOR CALENDAR YEAR ENDED DECEMBER 31, 2000

PASSENGER CONTRACT CARRIERS, HAW-PUC FORM 92-014

1. General Requirements

This report must be filed by **passenger contract carriers**. Although the balance sheet and income statement are not required, it does not preclude you from keeping a set of books to account for your total operations which includes both PUC and non-PUC functions. If necessary, you shall be subject to audit.

2. Where to File

465 South King Street
Kekuanaoa Building, Room 103
Honolulu, Hawaii 96813

3. Number of Copies Required

Submit the **original** and **one copy** of the completed PUC Annual Financial Report.

4. Due Date of Annual Financial Report

The Annual Financial Report for calendar year ended December 31, 2000 and the Gross Revenue Fee are due on or before April 30, 2001.

5. Extension Request to File Annual Financial Report

- a. If you cannot complete your report for calendar year 2000 on or before the due date, you may ask for an extension of time to file the report. A request

for extension of time to file the report must be postmarked or hand delivered to the Commission on or before APRIL 30, 2001 to avoid penalties under section 271-27(i) of the Hawaii Revised Statutes.

Approval shall be granted for good cause only. A form for requesting the extension of time to file is included with the enclosed forms (see second page of the forms).

- b. An extension of time to file your 2000 Annual Financial Report shall not be granted unless your current year=s PUC Motor Carrier Gross Revenue Fee is paid with your extension request.
- c. The extension is valid for only one month or until May 31, 2001. If you fail to file your Annual Financial Report by this date, you shall be assessed penalties in accordance with paragraph 6 below.

6. Penalty for Late Filing of Annual Financial Report

Under Section 271-27(i), Hawaii Revised Statutes, you are subject to a penalty for delinquent filing of the Annual Financial Report. The penalty is equal to one-sixteenth of one percent per month of the PUC annual gross revenues. The penalty is assessed for each month or fraction of a month that the report is delinquent. The minimum penalty is \$50.00.

7. Instructions to Complete Annual Financial Report

- a. The Annual Financial Report must either be TYPED or prepared in BLUE or BLACK INK. Any report handwritten in PENCIL shall be rejected.
- b. Refer to Cover Page:

Enter your name (as stated on your certificate), PUC number and the calendar year 2000.
- c. Refer to Exhibit A:
 - 1. This section refers to questions concerning the organization of the carrier. Answer questions 1 to 16 where applicable.

2. Complete the verification section. Be sure that the owner, partner, officer or an authorized agent with the power of attorney signs the verification page. If it is not signed by the proper authority, it shall be **REJECTED**.

d. Refer to Exhibit B:

1. Section A - Operating Revenues

Enter the PUC revenues accrued during calendar year 2000 on the appropriate line(s).

2. Section B - PUC Motor Carrier Gross Revenue Fees

On line 7, enter the total PUC revenues from line 6. Compute the motor carrier gross revenue fee by multiplying line 7 by the factor .0025 and enter this amount on line 8. **The minimum amount due is \$20.00.** On line 9a, enter any credit from the overpayment of the Prior Year's Fee. On line 9b, enter the payment which was submitted with the Extension Request. Subtract line 9a and 9b from line 8 and enter this amount on line 10. If an amount is due, attach a check made payable to Hawaii PUC. **DO NOT MAIL CASH.**

If you fail to pay the amount due on or before April 30, 2001, you shall be assessed penalty and interest charges. Under Section 271-27(h) of the HRS, you are subject to a penalty for the failure to pay the motor carrier gross revenue fee. This law authorizes the Commission to assess a minimum penalty up to \$1,000.00 and between \$50.00 and \$500.00 per day for continuous non-payment. Interest shall continue to accrue at a rate of ten (10) percent per annum.

e. Refer to Exhibit C:

Complete the Income Statement by including your revenues and expenses which relate only to your PUC operations on Lines 1 to 19. For your Non-PUC operations, include the **net** operating income or loss on Line 23a.

f. Refer to Exhibit D:

List vehicles which are currently being used for your PUC operations.

8. Carrier with Extended Operating Revenues

A motor carrier with extended operating authority on other islands must file the cover page and exhibits B and C for **each** island. The organization schedule (exhibit A) may be submitted on a consolidation basis.

9. Additional Instructions

ACT 125, Session Laws of Hawaii 1998, relating to the **Public Service Company (PSC) Tax** amends certain PSC tax provisions, particularly by amending the definition of “gross income” to allow motor carriers to pay the PSC Tax only on their portion of gross receipts received through the arrangements with other motor carriers. **ACT 125 DOES NOT APPLY TO THE CALCULATION OF THE PUC MOTOR CARRIER FEE (Fee).** There is **no** provision under PUC statutes that allows for a deduction in gross revenues to calculate the PUC Fee. As such, on a going forward basis, no deductions to gross revenues (including **Farm-Outs**) shall apply when calculating the PUC Fee. See Hawaii Revised Statutes § 271-36.

10. Questions

If you have any questions, please call the PUC audit section in Honolulu at 586-2020 or visit our Department web site at <http://www.state.hi.us/budget/>. Neighbor island carriers may call their local PUC office for assistance:

Island of Kauai	274-3232
Island of Maui	984-8182
Island of Hawaii	974-4533